

February 29, 2016

Pamela G. Monroe, Administrator
New Hampshire Site Evaluation Committee
21 South Fruit Street, Suite 10
Concord, NH 03301

E-mail: rulemaking@sec.nh.gov

Ms. Monroe,

TransCanada Pipeline USA Ltd. and its affiliates, including Portland Natural Gas Transmission Pipeline System ("PNGTS") (collectively, "TransCanada"), hereby respectfully submit comments in accordance with the Request for Advance Public Comment on Subject Matter of Possible Rulemaking dated January 25, 2016 and concerning rulemaking regarding Certificates of Site and Facility (the "Request"). Please direct these comments to Scott F. Eaton, Director Office of Legislative Services, Division of Administrative Rules:

The Request for comment, states in part:

"...The Administrator of the Committee has reviewed the recently adopted rules and determined that there are areas specified in RSA 162-H: 10-b, 11 that are not fully addressed. In particular, the Committee is seeking input on specific rules language to adopt, amend, or readopt with amendments, Site 300, regarding the following provisions related to the siting of high pressure gas pipelines: appropriate setbacks to mitigate potential health and safety impacts; pipeline decommissioning plan requirements; specific criteria to maintain property owners' ability to use and enjoy their property; project-related sound and vibration impact assessments; and application requirements to ensure quality construction that minimizes safety issues.

The Committee seeks input in the form of proposed specific rules language from a diverse group of stakeholders, including project developers, environmental advocates, regional organizations, municipal governments, and citizens groups...."

TransCanada operates approximately 15,000 miles of gas pipelines within the United States. PNGTS, headquartered in Portsmouth, NH as well as operations in Massachusetts, Maine, and New Hampshire, is a high-capacity interstate natural gas pipeline, has been serving New England's growing energy needs in 1999. TransCanada would like to recognize the hard work and time spent by the New Hampshire Site Evaluation Committee in developing the above referenced rulemaking.

TransCanada's U.S. interstate pipelines are subject to several federal laws, including the Natural Gas Act, and are regulated by the Federal Energy Regulatory Commission ("FERC"). This regulatory framework contains many of the same conditions set forth in the proposed rulemaking (Chapter Site 300, Certificates of Site and Facility (RSA Authority: RSA 162-H: 10-b, II). While the rulemaking does take notice of this fact and anticipates that some energy projects may be subject to federal government oversight and permitting (Section 7 (d)), the rulemaking still contemplates that an affirmative adjudicatory proceeding occur to exempt federally regulated energy infrastructure from the rulemaking (Site 301.11, a-b).

Considering the fact that interstate natural gas pipeline projects are subject to strict federal oversight and permitting requirements that are largely duplicative of the proposed requirements in the above referenced rulemaking:

1. TransCanada strongly recommends that all natural gas pipeline projects which require a federal certificate for approval along with the regulatory process involved in obtaining that approval shall be deemed exempt from rules by the Site Evaluation Committee, without a proceeding.

-Or-

2. Given that federal regulations supersede those of state and local jurisdictions, all natural gas pipeline projects which require a federal certificate for approval should be exempt from the entire scope of the rulemaking.

The entire regulatory scheme under which interstate pipeline operators, such as TransCanada, must comply is very comprehensive in its requirements relating to safety, environmental, siting and regulatory compliance. The proposed rulemaking, while very well intended, serves to duplicate an existing regulatory process. As set forth in the existing rulemaking, the adjudicative proceedings would pose an administrative burden on the State as well as an unnecessary use of taxpayer dollars. We also believe that this duplicative process is not just an unnecessary use of both the state's and applicants resources, but that it will have the effect of delaying much needed gas pipelines projects. Given that the federal government, through the NGA, has primary regulatory responsibility for interstate gas pipelines, the additional regulatory process leads to a misallocation of both state (taxpayer) funds when a well-established process exists. Moreover, the rulemaking may serve to heighten expectations from the public over what the state can and cannot regulate relative to interstate pipeline projects.

FERC strongly encourages interstate pipelines developers to work proactively and cooperatively with state and local governmental units to ensure a smooth, orderly and transparent development of interstate gas pipeline projects. This is not an easy process; however TransCanada takes this consultation obligation very seriously. TransCanada understands the high bar that the residents and elected officials of New Hampshire hold developers to and strives to meet those expectations to the very best of our ability. Rest assured that TransCanada, as an interstate pipeline developer, strives to work with the states in which we seek to operate and make every reasonable accommodation to that end.

Respectfully submitted,



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